commercial and the remaining 5 discoveries are under appraisal. Regarding the commencement of crude oil production, as estimated by the operator, it is likely to start in the 3rd quarter of 2007.

OIL and ONGC have established 9.12 Billion Cubic Metres (BCM) and 3.35 BCM of in-place gas reserves as on 1.4.2004 respectively.

OIL and ONGC are producing natural gas from Jaisalmer district of Rajasthan since July, -1996 at the rate of 7.2 lakhs cubic metres per day and 0.5 lakhs cubic metres per day respectively. The produced natural gas is supplied to Rajasthan Rajya Vidhut Nigam Limited, Ramgarh for power generation through the pipeline operated by Gas Authority of India Limited (GAIL).

(d) In terms of the Production Sharing Contracts (PSC) and Petroleum and Natural Gas Rules, 1959, as amended from time to time, the State Government is entitled to the petroleum exploration license fee, dead rent and royalty on crude oil and gas. The Central Government gets a share of profit petroleum under New Exploration Licensing Policy PSCs, and cess in pre-NELP blocks.

Mixture of Hydrogen Gat with Natural Gas

3494. SHRI SUDARSHAN AKARAPU: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Hydrogen Gas in being mixed with Natural Gas for being used for fuel purposes;

(b) if so, the details in this regard; and

(c) what are the advantages/befeefits accruirg out of Gas in
Natural Gas and its efficacy as efficient fuel?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRIMANI SHANKAR AIYAR): (a) to (c) A mixture of natural gas and hydrogen could be used as a transportation fuel. Trie Ministry of Petroleum and Natural Gas have recently set up a Hydrogen Corups Fund with corpus of Rs 100 crore for supporting research and development in various aspects of hydrogen Demonstration project in the pipeline include using 10% hydrogen in Compressed Natural Gas (CNG) at the Indian Oil Corporation Research and Development Centre at Faridabad (planned for July 2005), and a simitar demonstration project later in Delhi. Advantages/ benefits accruing out of mixing hydrogen with natural gas, and its efficacy as a fuel in Indian road

conditions, can be judged only after the demonstration project come into operation and sufficient data has been generated.

Increase in prices or crude oil

†3495.SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that due to increase in price of crude oil in the international market on April 4,2005 and also due to Governments' tax, the prices of diesel and petrol are likely to increase in the country; and

(b) if so, the amount of extra money to be collected per litre in the form of tax on petrol and diesel in the country as a result of price rise in international market?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRIMANI SHANKAR AIYAR): (a) and (b) Since the end of 2003, there has been an unprecedented, sharp and spiraling increase in international oil prices combined with considered week-to-week and even day-to- day volatility. The Indian basket of crude oil touched an all-time high of US $ 52.83 per bbl on 04.04.2005 compared to an average price of US$ 27.96 per bbl in 2003-04 and US $ 39.21 per bbl in 2004-05. There has since been some softening, the Indian basket having declined to around US $ 47/bbl in the week ending 16.4.2005. The international price of crude oil and petroleum products decidively impacts the domestic prices. The Government is continuoulsy monitoring the price situation. A decision on prices has not yet been taken.

An increase of Re. 1 per litre in the international market, translates to an increase of Rs. 1.43 per litre in the retail price of petrol and diesel at Delhi, on account of increase and *ad valorem* duties/ taxes like customs duty at a rate of 10%, excise duty at a rate of 8% and sales tax at a rate of 20%.

Smuggling of High Speed Diesel

3496. SHRI SANTOSH BAGRODIA
SHRI HARISH RAWAT:
SHRI K.B. KRISHNAMURTHY:
SHRIMATI AMBIKA SONI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

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†Ortginal notice of the question was received in Hindi.